

# **Commissioner Karen Weldin Stewart Informs Delaware Businesses on the Small Business Health Options Program (SHOP)**

Commissioner Karen Weldin Stewart announced today that beginning in 2014, the Delaware Health Insurance Marketplace will operate a small business health options program, or SHOP, that offers small businesses and their employees' new choices. In the first year, employers can offer employees Qualified Health Plan (QHP) coverage through the SHOP, where the employer will choose the plan and benefit level. It is anticipated that for future years employers will choose a set of plans offered through the Health Insurance Marketplace, and employees will be able to select coverage from among those plans.

The Delaware Health Insurance Marketplace will make it easy for small businesses to compare health plans, get answers to questions, and enroll in or offer to employees a health insurance plan that meets their needs. Small businesses may also be eligible for the tax credit for coverage purchased through the Marketplace.

Commissioner Stewart stated, **"The Health Insurance Marketplace offers Delaware small businesses choice. Insurance companies will compete for business fairly, and this level of competition will drive down costs."**

- Beginning in October 2013, small employers will be able to compare all small group plans offered through the Marketplace and select one plan in which their employees

may enroll.

- Plans offered through the SHOP will meet all of the certification and quality standards required by the State of Delaware and the Affordable Care Act.
- For coverage starting in 2015, small employers will be able to select a set of plans from which their employees may choose the most appropriate coverage.

Through 2013, your company may be eligible for a small business premium tax credit of up to 35 percent of your business' share of the employees' premium. To be eligible, your company must:

- Have fewer than the equivalent of 25 full-time workers,
- Have an average annual employee wage below \$50,000, and
- Cover at least 50 percent of the cost of health insurance coverage.

Starting in 2014, the maximum tax credit increases to 50 percent of the employer's share of health insurance coverage, but is available only to small employers who purchase coverage through the SHOP. This larger tax credit will be available for two years. Non-profit employers meeting the eligibility criteria can receive credits for 25 percent of the employer's share of premium costs through 2013 and 35 percent of these premium costs for two years starting in 2014. For more information on the Small Business Health Options Program (SHOP) please visit:

<http://www.healthcare.gov/marketplace/small-businesses/index.html>.